

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2021-324-WS

IN RE: Application of Kiawah Island Utility, Inc.)	
for Adjustment of Rates and Charges)	
(Increase) and Modifications to Certain)	APPLICATION
Terms and Conditions for the Provision of)	
Water and Sewer Service)	

Kiawah Island Utility, Inc. (“Applicant” or “Company”) would respectfully show unto, and request of, the South Carolina Public Service Commission (“Commission”) as follows:

BACKGROUND

1. The Applicant is a corporation in good standing organized under the laws of the State of South Carolina.
2. The Applicant is a public utility as defined by S.C. Code Ann. §58-5-10(4) providing water and sewer service to the public for compensation in certain areas of South Carolina, specifically Kiawah Island.
3. The Applicant provides service pursuant to the rates approved by the Commission in Order 2019-288 in Docket No. 2018-257-WS.
4. All communications or inquiries regarding this Applicant should be directed as set forth below:

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REQUEST FOR RATE RELIEF AND APPROVAL OF RATE SCHEDULE MODIFICATIONS

5. Pursuant to S.C. Code Ann. §58-5-240 and 26 S.C. Code Ann. Regulations RR. 103-712.4.A and 103-512.4.A, Applicant requests that the Commission approve the monthly water and sewer service charges set forth in the rate schedules attached hereto and incorporated herein by this reference as Exhibit “A”. The Company also requests approval of any and all fees and charges contained in these schedules.

SUPPORTING DOCUMENTATION

6. The Applicant proposes a test year of January 1, 2020 to December 31, 2020 and has prepared certain financial statements relating to that time period in support of the Application, which statements are attached hereto and incorporated herein by this reference as Exhibit “B”. These financial statements include the following:

- a) Balance sheet (Schedule A)
- b) Current and pro forma income and expense statements (Schedule B)

- c) Schedule of billed revenue at current and proposed rates, effect of proposed rates and water and sewer assumption analysis (Schedule C)
- d) Schedule of fixed assets and depreciation (Schedule D)
- e) Schedule of present and projected customers. (Schedule E)
- f) Water and sewer proposed revenues (Schedule F)
- g) Schedule of proposed rates (Schedule G)

7. Attached hereto and incorporated herein by this reference as Exhibit "C" is the most recent approval letter from the South Carolina Department of Health and Environmental Control ("DHEC").

8. Attached hereto and incorporated herein by this reference as Exhibit "D" is the Company's current customer bill form.

9. Attached hereto and incorporated herein by this reference as Exhibit "E" is evidence of the Company's most recent Gross Receipts Tax filing.

10. The Company's Annual Report for the last period is on file with this Commission.

11. There is on file with this Commission a performance bond given to satisfy the requirements of S.C. Code Ann. § 58-5-720.

12. A map depicting Applicant's current service area is on file with the Commission.

13. The financial statements, the other documents submitted herewith, and the references to documents on file with the Commission are offered to comply with Commission Rules R. 103-512.4 and R. 103-712.4 and to provide information useful to the Commission in considering the reasonableness of the proposed rate schedule.

NEED AND JUSTIFICATION FOR RATE RELIEF

14. Applicant submits that rate relief is justified because rate relief was last granted on April 25, 2019, based on a 2017 test year. It has been over two years since rates were increased, and the increase was based on company financial information that is now approaching four years old.

Since the 2017 test year, the Applicant has incurred additional incremental pipeline costs related to the construction of a secondary water line in the amount of \$2.37M. The Applicant has undertaken to replace its conventional meters with advanced metering infrastructure (“AMI”) and anticipates having the need for recovery of approximately \$1.68M for these costs in this docket. The Applicant has undertaken the Cougar Island/Governor Drive Horizontal Directional Drill project to enhance its water transmission and distribution system through redundancy on Governors Drive and from Summer Island to Cougar Island at a cost of \$1.84M. In addition, the Applicant has expended approximately \$101K to upgrade the wastewater headworks and has undertaken to install a new pump at the Sora Rail main pump station at a cost of \$98k. The Applicant has also incurred costs for additions to fleet and equipment as well as many pump upgrades.

In addition, the Applicant will incur a significant increase in purchased water costs from St John’s Water Company in the amount of \$238k. The Applicant will also incur an increase in property tax expense of approximately \$147k and depreciation expense of approximately \$140k related to pro-forma capital additions, an additional \$94k related to direct salaries, wages, and benefits, and an increase of overhead and management expenses.

The rates proposed are also necessary to allow the Applicant to comply with the standards and regulations set by DHEC and other environmental regulatory authorities. The proposed rates will preserve the financial integrity of Applicant, promote continued investment in and maintenance of its facilities, and thereby permit Applicant to continue providing reliable and high-quality water and sewer services.

REQUEST FOR OPERATING MARGIN TREATMENT

15. Applicant requests the Commission continue to set its rates according to the operating margin method in this proceeding as has been approved by this Commission for the Applicant in past proceedings.

WHEREFORE, having fully set forth its Application, Kiawah Island Utility, Inc. prays that the Commission approve the rates proposed and grant to Applicant such other and further relief as the Commission may deem just and proper.

Respectfully submitted,

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Columbia, South Carolina
November 30, 2021

Attorneys for Kiawah Island Utility, Inc.

EXHIBIT A

Tariff

EXHIBIT "A"

EXHIBIT "A"

KIAWAH ISLAND UTILITY, INC.

DOCKET NO. 2021-324-WS

SCHEDULE OF **PROPOSED** RATES AND CHARGES**RATE SCHEDULE NO. 1 RESIDENTIAL SERVICE**AVAILABILITY- Available within the Company's service area.APPLICABILITY-Applicable to any residential customer for any purpose.**Water Service Charges**

	<u>Current</u>	<u>Proposed</u>
A. Base Facilities Charge		
5/8" meter	\$ 36.65	\$ 42.21/mo.
3/4" meter	\$ 54.98	\$ 63.33/mo.
1" meter	\$ 91.62	\$ 105.53/mo.
1.5" meter	\$ 183.25	\$ 211.07/mo.
2" meter	\$ 293.21	\$ 337.72/mo.
3" meter	\$ 641.40	\$ 738.77/mo.
4" meter	\$1,840.73	\$ 2,120.17/mo.
Base Facilities Charge for water service with meters larger than 4" shall be: <u>Maximum recommended meter capacity (gpm) x \$42.21 per mo.</u> 20 gpm		
B. Consumption Charge		
All up to 11,000 gal/mo.	\$ 4.83/1000 gal.	\$ 5.08/1000 gal.
C. Excess Consumption Charge #1		
All over 11,000 gal/mo. and up to 50,000 gal/mo.	\$ 5.37/1000 gal.	\$ 5.65/1000 gal.
D. Excess Consumption Charge #2		
All over 50,000 gal/mo.	\$ 5.71/1000 gal.	\$ 6.01/1000 gal.

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Sewer Service Charges

A.	Base Facilities Charge		
	5/8" water meter	\$ 28.00	\$ 30.72/mo.
	3/4" water meter	\$ 42.00	\$ 46.09/mo.
	1" water meter	\$ 69.99	\$ 76.80/mo.
	1.5" water meter	\$ 139.98	\$ 153.60/mo.
	2" water meter	\$ 223.98	\$ 245.77/mo.
	3" water meter	\$ 489.95	\$ 537.61/mo.
	4" water meter	\$1,514.79	\$ 1,662.13/mo.

Base Facilities Charge for sewer service where water service is through meters larger than 4" shall be:

$$\frac{\text{Maximum recommended meter capacity (gpm)} \times \$30.72 \text{ per mo.}}{20 \text{ gpm}}$$

B.	Consumption Charge based on Water Usage		
	All up to 11,000 gal/mo.	\$ 0.74/1000 gal.	\$.81/1000 gal.

Tap-in Fees

Water Tap-in Fee	\$500.00	\$ 500.00
Sewer Tap-in Fee	\$500.00	\$ 500.00

The tap-in fee provides for installation of the normal size residential meter of 5/8" by 3/4".

Where the customer requests a larger meter, the Company will apply the tap-in schedule for larger meters as listed in Rate Schedule No. 2 Commercial Service.

RATE SCHEDULE NO. 2 COMMERCIAL SERVICE

AVAILABILITY- Available within the Company's service area.

APPLICABILITY- Applicable to any commercial or master metered residential customer for any purpose except hotel or motel use (see Rate Schedule No. 3).

Water Service Charges

	<u>Current</u>	<u>Proposed</u>
A.	Base Facilities Charge	
	5/8" meter	\$ 36.65
	3/4" meter	\$ 54.98
	1" meter	\$ 91.62
	1.5" meter	\$ 183.25
	2" meter	\$ 293.21
	3" meter	\$ 641.40
		\$ 42.21/mo.
		\$ 63.33/mo.
		\$ 105.53/mo.
		\$ 211.07/mo.
		\$ 337.72/mo.
		\$ 738.77/mo.

EXHIBIT "A"

4" meter	\$1,840.73	\$ 2,120.17/mo.
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Base Facilities Charge for water service with meters larger than 4" shall be:

Maximum recommended meter capacity (gpm) x \$42.21 per mo.

20 gpm

B.	Consumption Charge	\$ 5.71/1000 gal. For all consumption	\$ 5.94/1000 gal. For all consumption
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Sewer Service Charges

A.	Base Facilities Charge		
	5/8" water meter	\$ 28.00	\$ 30.41/mo.
	3/4" water meter	\$ 42.00	\$ 45.61/mo.
	1" water meter	\$ 69.99	\$ 76.01/mo.
	1.5" water meter	\$ 139.98	\$ 152.02/mo.
	2" water meter	\$ 223.98	\$ 243.24/mo.
	3" water meter	\$ 489.95	\$ 532.09/mo.
	4" water meter	\$1,514.79	\$ 1,645.06/mo.

Base Facilities Charge for sewer service where water service is through meters larger than 4" shall be:

Maximum recommended meter capacity (gpm) x \$30.41 mo.

20 gpm

B.	Consumption Charge based on Water Usage	\$ 2.86/1000 gal. For all consumption	\$ 3.11/1000 gal. For all consumption
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Tap-in Fees

	<u>Water Tap-in Fees</u>	<u>Sewer Tap-in Fees</u>
5/8" meter	\$ 500.00	\$ 500.00
3/4" meter	\$ 750.00	\$ 750.00
1" meter	\$ 1,250.00	\$ 1,250.00
1.5" meter	\$ 2,500.00	\$ 2,500.00
2" meter	\$ 4,000.00	\$ 4,000.00
3" meter	\$ 8,750.00	\$ 8,750.00

Water tap-in fee and sewer tap-in fee for water and sewer service where water meter is larger than 3" shall be:

Maximum recommended meter capacity (gpm) x \$500.00

20 gpm

EXHIBIT "A"

RATE SCHEDULE NO. 3 HOTEL AND MOTEL SERVICE**AVAILABILITY**- Available within the Company's service area.**APPLICABILITY**- Applicable to all hotel and motel customers for any purpose.**Water Service Charges**

Base Facilities Charge	\$ 14.72/mo./room	\$ 16.36/mo./room
All Consumption	\$ 5.71/1000 gal.	\$ 6.07/1000 gal.

Sewer Service Charges

Base Facilities Charge	\$ 11.19/mo./room	\$ 12.15/mo./room
All Consumption based on Water Usage	\$ 2.86/1000 gal.	\$ 3.11/1000 gal.

Tap-in Fees

Water Tap-in Fee	\$220.00	\$ 220.00/room
Sewer Tap-in Fee	\$220.00	\$ 220.00/room

RATE SCHEDULE NO. 4 IRRIGATION SERVICE**AVAILABILITY**- Available within the Company's service area. The Company reserves the right to limit or reduce the irrigation service available when, in its sole judgement, its water system conditions require such restrictions.**APPLICABILITY**- Applicable only to customers who anticipate substantial potable water use which will not be returned to the Company's wastewater treatment system such as irrigation. Such water consumption shall be metered separately from any water use supplied under other rate schedules.**Water Service Charges**

A. Base Facilities Charge		
5/8" meter	\$ 36.65	\$ 47.06/mo.
3/4" meter	\$ 54.98	\$ 70.59/mo.
1" meter	\$ 91.62	\$ 117.65/mo.
1.5" meter	\$ 183.25	\$ 235.29/mo.
2" meter	\$ 293.21	\$ 376.48/mo.
3" meter	\$ 641.40	\$ 823.56/mo.
4" meter	\$1,840.73	\$ 2,363.50/mo.

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Base Facilities Charge for water service with meters larger than 4" shall be:

$$\frac{\text{Maximum recommended meter capacity (gpm)} \times \$47.06 \text{ per mo.}}{20 \text{ gpm}}$$

B.	Consumption Charge		
	All up to 50,000 gal/mo.	\$ 5.37/1000 gal.	\$ 6.90/1000 gal.
C.	Excess Consumption Charge		
	All over 50,000 gal/mo.	\$ 5.71/1000 gal.	\$ 7.33/1000 gal.

Tap-in Fees

5/8" meter	\$ 500.00	\$ 500.00
3/4" meter	\$ 750.00	\$ 750.00
1" meter	\$1,250.00	\$ 1,250.00
1.5" meter	\$2,500.00	\$ 2,500.00
2" meter	\$4,000.00	\$ 4,000.00
3" meter	\$8,750.00	\$ 8,750.00

Water tap-in fee where water meter is larger than 3" shall be:

$$\frac{\text{Maximum recommended meter capacity (gpm)} \times \$500.00}{20 \text{ gpm}}$$

RATE SCHEDULE NO. 5 FIRE HYDRANT SERVICE

AVAILABILITY- Available within the Company's service area.

APPLICABILITY- Applicable to fire hydrants connected to Company's water mains.

Water Service Charges

When temporary water service from a hydrant is requested by a contractor or others, a meter will be installed and the charge will be:

\$8.00 for each day of use, PLUS \$5.94/1000 gals for ALL water used, PLUS a \$50.00 security deposit.

RATE SCHEDULE NO. 6 GOLF COURSE IRRIGATION

AVAILABILITY- Available within the Company's service area.

APPLICABILITY- Applicable for golf course irrigation where the customer agrees to take

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as a minimum quantity the treated effluent from the wastewater treatment plant.

Water Service Charges

A. Effluent water will be billed at a rate of:			
Base Facilities Charge	\$ 4,648.72/mo.	\$	5,968.96/mo.
per Golf Course			
Consumption	\$ 0.20/1000 gal.	\$	0.26/1000 gal.
B. Deep well water will be billed at a rate of:			
Base Facilities Charge	\$ 1,138.80/mo.	\$	1,462.22/mo.
Per Golf Course			
Consumption	\$ 0.30/1000 gal.	\$	0.39./1000 gal.
C. Potable water will be billed at a rate of:			
Base Facilities Charge	\$ 871.45/mo.	\$	1,118.94/mo.
per Golf Course			
Consumption	\$ 5.71/1000 gal.	\$	7.33/1000 gal.

RATE SCHEDULE NO. 7 FIRE LINE SERVICE

AVAILABILITY- Available within the Company's service area.

APPLICABILITY- Applicable for private fire lines.

Water Service Charges

Base Facilities Charge			
2" Line	\$ 8.65/mo.	\$	9.88/mo.
3" Line	\$ 15.83/mo.	\$	18.08/mo.
4" Line	\$ 27.43/mo.	\$	31.34/mo.
6" Line	\$ 54.87/mo.	\$	62.67/mo.
8" Line	\$ 96.11/mo.	\$	109.78/mo.

Tap-in Fees

2" Line	\$ 4,000.00	\$ 4,000.00
3" Line	\$ 8,750.00	\$ 8,750.00
4" Line	\$25,000.00	\$25,000.00

Water tap-in fee where the service is larger than 4" shall be based on the tap-in fee schedule as listed in the Commercial Service Schedule No. 2.

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**CHARGES FOR SERVICE DISCONTINUANCE, RECONNECTION
AND OTHER MISCELLANEOUS SERVICE CHARGES**

1. When a customer requests discontinuance of service for the purpose of not receiving a monthly statement, the Company shall charge the equivalent of three months of basic facilities charges for both water and sewer service and require payment of such charges when for any reason service is restored to that particular customer.
2. Reimbursement of costs to make repairs to services or meters caused by others will be charged at actual cost as allowed per PSC Regulations 103-726 and R 103.733.5.
3. Whenever service is disconnected for violation of rules and regulations, nonpayment of bills or fraudulent use of service, the Company will charge a \$70.00 fee to restore service.
4. A service fee of \$25.00 shall be charged by the Company for non-routine, non-emergency service performed for the customer on the customer's side of the meter.
5. Delinquent Notification Fee - A fee of \$20.00 shall be charged each customer to whom the Company mails a notice of discontinuance of service as required by the Commission rules prior to service being discontinued. This fee assesses a portion of the clerical and mailing costs of such notice to the customer creating the cost.
6. Customer Initiation Fee - A one-time fee of \$25.00 will be charged to each new account to defray costs of initiating service.
7. Return Check Fee - When a check is returned from the bank for Non-Sufficient Funds, a fee equal to the maximum amount permitted by S.C. Code Ann. Section 34-11-70 will be charged.
8. Safe Drinking Water Fee - If the South Carolina Department of Health and Environmental Control charges the Company an assessment based on customer units served by the Company, the Company may bill its customers for the applicable unit cost of that assessment. The charge shall be identified on a separate billed item, identified as the SDW fee and included in the total of the service billing.

EXHIBIT "A"

PURCHASED WATER ADJUSTMENT

Kiawah Island Utility, Inc. ("Company") purchases its potable water from the St. John's Water Company ("St. John's"), which in turn purchases the water from the Commissioners of Public Works of the City of Charleston ("CPW"). Whenever CPW increases the price of water sold to St. John's, the increase in price is passed through to the Company pursuant to the water purchase agreement between the Company and St. John's.

The water purchase agreement also provides, as part of the purchased water price, a pro-rata share of St. John's annual operation and maintenance costs to be charged to the Company. Therefore, the Company's revenue requirement for purchased water is made up of the water unit price per thousand gallons and the operation and maintenance costs charged by St. John's.

Accordingly, whenever there is a price adjustment for the purchase of potable water to Kiawah Island Utility, Inc. by the St. John's Water Company, the following billing adjustment shall be made by the Company to its customer rates:

1. Billing Adjustment

In the event that St. John's adjusts (whether an increase or decrease) the unit price per 1,000 gallons and/or the operation and maintenance charges related to the purchase of potable water, the following billing adjustment practice would apply:

- (a) If the unit price is adjusted the cost change per 1,000 gallons would be passed through to the customers as an adjustment in like amount to the consumption charge on their water bill.

Example: The unit price of purchased water is increased by two cents per 1,000 gallons. The consumption charge on the customer's bill would reflect a two cent per 1,000 gallon increase.

- (b) If the pro-rata operation and maintenance charge is adjusted the cost change per 1,000 gallons (based on the most recent 12 months of potable water billed) would be passed through to the customers as an adjustment to the consumption charge on their water bill.

Example: The annual operation and maintenance charge is increased by \$18,000 and the most recent 12 months of potable water billed is 900,000 thousand gallons. The consumption charge on the customer's bill would reflect a two cent per 1,000 gallon increase.

2. Notification

Any special billing adjustment shall not be billed until the following conditions are met:

- (a) The Company shall furnish the South Carolina Public Service Commission

EXHIBIT "A"

satisfactory proof of the basis for the adjustment and the billing method to be utilized at least sixty (60) days prior to its proposed effective date.

- (b) The Company shall furnish thirty (30) days prior written notice to the customers affected by the Purchased Water Adjustment advising them of the basis for the billing adjustment and its effective date.

EXHIBIT B

Schedules A through G

SCHEDULE A

Kiawah Island Utility, Inc.
Exhibit B
For the Year Ended December 31, 2020

Docket 2021-324-WS
Schedule A
Balance Sheet

Line No.	NARUC ACCOUNT NUMBER AND TITLE	FINANCIAL STATEMENTS 12/31/2020
1	UTILITY PLANT	
2	101 Utility Plant in Service	35,807,983
3	101.A Donated and Other Non Rate Setting Assets	17,368,022
4	102 Utility Plant Leased to Others	1,921,989
5	103 Property Held for Future Use	
6	104 Utility Plant Purchased or Sold	
7	105 Construction Work in Progress	1,279,828
8	Total Utility Plant	56,377,822
9	ACCUMULATED DEPRECIATION	
10	108 Utility Plant in Service	(12,535,394)
11	108.A Donated and Other Non Rate Setting Assets	(8,697,104)
12	Total Accumulated Depreciation	(21,232,498)
13	ACCUMULATED AMORTIZATION	
14	101.1 Utility Plant in Service	(1,690,488)
15	108.A Donated and Other Non Rate Setting Assets	-
16	Total Accumulated Amortization	(1,690,488)
17	TOTAL NET UTILITY PLANT	33,454,836
18		
19	CURRENT AND ACCRUED ASSETS	
20	131.1 Cash on Hand	
21	131.2 Cash in Bank	(13,175)
22	132 Special Deposits (Interest and/or Dividends)	-
23	141 Customer Accounts Receivable	633,170
24	143 Accumulated Provision for Uncollectible Accounts-Credit	(4,331)
25	151 Plant Material and Supplies	
26	153 Other Material and Supplies	416,741
27	162 Prepayments	95,590
28	172 Rents Receivable	
29	173 Accrued Utility Revenue	294,056
30	174 Miscellaneous Current and Accrued Assets	300
31	TOTAL CURRENT AND ACCRUED ASSETS	1,422,351
32		
33	DEFERRED DEBITS	
34	181 Unamortized Debt Discount and Expense	
35	186 Miscellaneous Deferred Debits	
36	186.1 Deferred Rate Case Expense	233,375
37	186.2 Other Deferred Debits	17,936,899
38	186.3 Regulatory Assets	-
39	190.1 Accumulated Deferred Federal Income Taxes	
40	190.2 Accumulated Deferred State Income Taxes	-
41	TOTAL DEFERRED DEBITS	18,170,274
42		
43	TOTAL ASSETS AND OTHER DEBITS	53,047,461

Kiawah Island Utility, Inc.
Exhibit B
For the Year Ended December 31, 2020

Docket 2021-324-WS
Schedule A
Balance Sheet

Line No.	NARUC ACCOUNT NUMBER AND TITLE		FINANCIAL STATEMENTS 12/31/2020
1	EQUITY CAPITAL		
2	201	Common Stock Issued	1,000,000
3	204	Preferred Stock Issued	-
4	211	Other Paid-In Capital	21,515,532
5	215	Unappropriated Retained Earnings	(164,468)
6	218	Proprietary Capital (for proprietorships & partnerships only)	-
7	TOTAL EQUITY CAPITAL		22,351,064
8			
9	LONG-TERM DEBT		
10	224	Other Long-Term Debt	19,669,858
11	TOTAL LONG-TERM DEBT		19,669,858
12			
13	CURRENT AND ACCRUED LIABILITIES		
14	231	Accounts Payable	645,657
15	232	Notes Payable	-
16	233	Accounts Payable to Associated Companies	(2,224)
17	235	Customer Deposits-Billing	-
18	236.11	Accrued Taxes, Utility Operating Income, Taxes other than income	485,119
19	236.12	Accrued Taxes, Utility Operating Income, Income Taxes	(586,927)
20	237	Accrued Interest	-
21	241	Miscellaneous Current and Accrued Liabilities	138,981
22	TOTAL CURRENT AND ACCRUED LIABILITIES		680,606
23			
24	DEFERRED CREDITS		
25	252	Advances for Construction	-
26	253	Other Deferred Credits, Regulatory Liabilities	672,744
27	255	Accumulated Deferred Investment Tax Credits, Utility Operations	-
28	TOTAL DEFERRED CREDITS		672,744
29			
30	OPERATING RESERVES		
31	265	Miscellaneous Operating Reserve	-
32	TOTAL OPERATING RESERVES		-
33			
34	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)		
35	271	Contributions in Aid of Construction	17,368,022
36	272	Accumulated Amortization of CIAC	(8,697,104)
37	TOTAL NET CIAC		8,670,918
38			
39	ACCUMULATED DEFERRED INCOME TAXES		
40	281	Accelerated Amortization	-
41	282	Liberalized Depreciation	992,271
42	283	Other	-
43	TOTAL ACCUMULATED DEFERRED INCOME TAXES		992,271
44			
45	TOTAL EQUITY CAPITAL AND LIABILITIES		53,037,461

SCHEDULE B

NARUC ACCOUNT NUMBER AND TITLE		COMBINED PER BOOKS	PROFORMA ADJUSTMENTS	A/E	PROFORMA PRESENT	PROPOSED INCREASE	A/E	RATE CASE BALANCE
UTILITY OPERATING INCOME								
400	Total Utility Operating Revenues	9,477,169	140,147	1.2	9,617,316	1,355,997	25	10,973,313
UTILITY OPERATING EXPENSES								
401	Operating Expenses	6,888,756	(559,310)	3-11	6,329,446	-		6,329,446
403	Depreciation Expenses	851,478	236,788	12	1,088,266	-		1,088,266
406	Amortization of Utility Plant Acquisition - Water Rights	43,256	(22,294)	13	20,962	-		20,962
407	Amortization Expense - Other	-	73,383	14	73,383	-		73,383
408.10	Utility Regulatory Assessment Fees	-	51,740	15,16	51,740	9,611	26	61,351
408.11	Property Taxes	487,467	146,926	17	634,393	-		634,393
408.12	Payroll Taxes	69,389	5,559	18	74,948	-		74,948
408.13	Other Taxes and Licenses	162,256	(47,099)	19,20	115,157	4,068	27	119,225
409.10	Federal Income Taxes, Utility Operating Income	(490,598)	621,309	21	130,711	267,792	28	398,503
409.11	State Income Taxes, Utility Operating Income	(102,585)	135,345	21	32,760	67,116	28	99,875
410.10	Deferred Federal Income Taxes	500,510	(500,510)	22	-	-		-
410.11	Deferred State Income Taxes	94,322	(94,322)	22	-	-		-
	Total Utility Operating Expenses	8,504,251	47,514		8,551,765	348,587		8,900,353
	TOTAL NET UTILITY OPERATING INCOME (LOSS)	972,918	92,633		1,065,551	1,007,409		2,072,960
OTHER OPERATING INCOME								
414	Gains (Losses) from Disposition of Utility Property	(44,841)	44,841	23	-	-		-
	TOTAL OTHER OPERATING INCOME	(44,841)	44,841		-	-		-
INTEREST EXPENSE								
427.1	Interest on Debt to Associated Companies	367,966	(133,057)	24	234,909	-		234,909
427.3	Interest on Long-Term Debt	530,947	(192,027)	24	338,920	-		338,920
	TOTAL INTEREST EXPENSE	898,913	(325,084)		573,829	-		573,829
	NET INCOME (LOSS)	29,164	462,558		491,722	1,007,409		1,499,131
	Customer Growth Net Income	-	-		-	-	29	28,970
	NET INCOME (LOSS) AFTER GROWTH	29,164	462,558		491,722	1,007,409		1,528,101
	Excess Accumulated Deferred Income Taxes						30	35,168
	NET INCOME (LOSS) AFTER EDIT							1,563,269
	OPERATING MARGIN	0.31%			5.11%			14.25%

For the Year Ended December 31, 2020

Water Income Statement - Proforma

	NARUC ACCOUNT NUMBER AND TITLE	PER BOOKS	PROFORMA ADJUSTMENTS	AJE	PRO-FORMA PRESENT	PROPOSED INCREASE	AJE	RATE CASE BALANCE
	UTILITY OPERATING INCOME							
400	Total Utility Operating Revenues	7,308,931	54,782	1,2	7,363,713	1,101,606	25	8,465,319
	UTILITY OPERATING EXPENSES							
401	Operating Expenses	5,396,456	(239,263)	3-11	5,157,193	-	-	5,157,193
403	Depreciation Expenses	579,841	158,130	12	737,971	-	-	737,971
406	Amortization of Utility Plant Acquisition - Water Rights	43,256	(22,294)	13	20,962	-	-	20,962
407	Amortization Expense - Other	-	21,522	14	21,522	-	-	21,522
408.10	Utility Regulatory Assessment Fees	-	30,563	15,16	30,563	7,808	26	38,371
408.11	Property Taxes	287,924	86,789	17	374,713	-	-	374,713
408.12	Payroll Taxes	40,985	3,284	18	44,269	-	-	44,269
408.13	Other Taxes and Licenses	95,837	(27,821)	19,20	68,016	3,305	27	71,321
409.10	Federal Income Taxes, Utility Operating Income	(4,589,162)	4,702,794	21	113,632	217,553	28	331,186
409.11	State Income Taxes, Utility Operating Income	(959,604)	988,083	21	28,479	54,525	28	83,004
410.10	Deferred Federal Income Taxes	4,681,887	(4,681,887)	22	-	-	-	-
410.11	Deferred State Income Taxes	882,310	(882,310)	22	-	-	-	-
	Total Utility Operating Expenses	6,459,730	137,590		6,597,320	283,191		6,880,511
	TOTAL NET UTILITY OPERATING INCOME (LOSS)	849,201	(82,808)		766,393	818,415		1,584,809
	OTHER OPERATING INCOME							
414	Gains (Losses) from Disposition of Utility Property	(45,452)	45,452	23	-	-	-	-
	TOTAL OTHER OPERATING INCOME	(45,452)	45,452		-	-	-	-
	INTEREST EXPENSE							
427.1	Interest on Debt to Associated Companies	-	-		-	-	-	-
427.3	Interest on Long-Term Debt	530,947	(192,027)	24	338,920	-	-	338,920
	TOTAL INTEREST EXPENSE	530,947	(192,027)		338,920	-	-	338,920
	NET INCOME (LOSS)	272,802	154,671		427,473	818,415		1,245,889
	Customer Growth Net Income						29	24,080
	NET INCOME (LOSS)	272,802	154,671		427,473	818,415		1,269,968
	OPERATING MARGIN	3.73%			5.81%			15.00%

For the Year Ended December 31, 2020

NARUC ACCOUNT NUMBER AND TITLE		PER BOOKS	PROFORMA ADJUSTMENTS	AJE	PRO-FORMA PRESENT	PROPOSED INCREASE	AJE	RATE CASE BALANCE
UTILITY OPERATING INCOME								
400	Total Utility Operating Revenues	2,168,238	85,365	1,2	2,253,603	254,390	25	2,507,993
UTILITY OPERATING EXPENSES								
401	Operating Expenses	1,492,300	(320,047)	3-10	1,172,253	-		1,172,253
403	Depreciation Expenses	271,637	78,658	12	350,295	-		350,295
406	Amortization of Utility Plant Acquisition Adjustments	-	-		-	-		-
407	Amortization Expense - Other	-	51,861	14	51,861	-		51,861
408.10	Utility Regulatory Assessment Fees	-	21,177	15,16	21,177	1,803	26	22,980
408.11	Property Taxes	199,543	60,137	17	259,680	-		259,680
408.12	Payroll Taxes	28,404	2,275	18	30,679	-		30,679
408.13	Other Taxes and Licenses	66,419	(19,278)	19,20	47,141	763	27	47,905
409.10	Federal Income Taxes, Utility Operating Income	4,098,564	(4,081,485)	21	17,079	50,239	28	67,318
409.11	State Income Taxes, Utility Operating Income	857,019	(852,739)	21	4,280	12,591	28	16,872
410.10	Deferred Federal Income Taxes	(4,181,377)	4,181,377	22	-	-		-
410.11	Deferred State Income Taxes	(787,988)	787,988	22	-	-		-
	Total Utility Operating Expenses	2,044,521	(90,076)		1,954,445	65,396		2,019,842
	TOTAL NET UTILITY OPERATING INCOME (LOSS)	123,717	175,441		299,158	188,994		488,152
OTHER OPERATING INCOME								
414	Gains (Losses) from Disposition of Utility Property	611	(611)	23	-	-		-
	TOTAL OTHER OPERATING INCOME	611	(611)		-	-		-
INTEREST EXPENSE								
427.1	Interest on Debt to Associated Companies	367,966	(133,057)	24	234,909	-		234,909
427.3	Interest on Long-Term Debt	-	-		-	-		-
	TOTAL INTEREST EXPENSE	367,966	(133,057)		234,909	-		234,909
	NET INCOME (LOSS)	(243,638)	307,886		64,248	188,994		253,242
	Customer Growth Net Income						29	4,891
	NET INCOME (LOSS)	(243,638)	307,886		64,248	188,994		258,133
	OPERATING MARGIN	-11.24%			2.85%			10.29%

Kiawah Island Utility, Inc.
Exhibit B
For the Year Ended December 31, 2020

Docket 2021-324-WS
Schedule B
Adjusting Journal Entries

PROFORMA ADJUSTING ENTRIES

		COMBINED	WATER	SEWER
OPERATING REVENUE				
1)	To adjust revenue per # of customers as of Sept 2021 at current tariffed rates.			
	Residential		166,962	172,582
	Commercial		(547,558)	(43,467)
	Hotel		(63,605)	
	Well		64,821	
	Private Fire		5,713	
	Irrigation		504,198	
	Reuse			
		<u>259,647</u>	<u>130,532</u>	<u>129,115</u>
2)	To remove tap-in revenue from Operating Revenue.			
	Other Revenues	<u>(119,500)</u>	<u>(75,750)</u>	<u>(43,750)</u>
	TOTAL OPERATING REVENUE ADJUSTMENTS	<u>140,147</u>	<u>54,782</u>	<u>85,365</u>
OPERATING EXPENSES				
OPERATION & MAINTENANCE EXPENSES				
3)	To increase payroll related expenses to reflect known and measureable increases in effect for 2021 to wages and benefits. Allocated between water and sewer - 59.07% and 40.93%.			
	Salaries & Wages	<u>46,477</u>	<u>27,454</u>	<u>19,023</u>
	Employee Benefits	<u>48,015</u>	<u>28,362</u>	<u>19,653</u>
4)	To increase purchased water to reflect increased costs passed through from supplier.			
	Calculations			
	Test year purchased gallons	938,478,460		
	Rate per 1,000 gallon (New rate effective Jan 2022)	3.515		
	O&M Charges	169,824		
	Leakage	16,194		
	Total Proforma Purchased Water	3,485,070		
	Test year purchased water	3,246,841		
	Adjustment	<u>238,229</u>	<u>238,229</u>	<u>-</u>
5)	To increase purchased power for Santee Cooper settlement.			
	Purchased Power	<u>27,682</u>	<u>16,352</u>	<u>11,330</u>
6)	To remove tap-in expenses from Operation & Maintenance expenses.			
	Materials & Supplies	<u>(119,500)</u>	<u>(75,750)</u>	<u>(43,750)</u>
7)	To adjust accounting costs for known audit costs. Allocated between water and sewer - 59.07% and 40.93%.			
	Contractual Services - Accounting	<u>339</u>	<u>200</u>	<u>139</u>
8)	To remove \$313,423.36 in nonrecurring legal fees. Allocated between water and sewer - 59.07% and 40.93%.			
	Contractual Services - Legal	<u>(313,423)</u>	<u>(185,139)</u>	<u>(128,284)</u>

Kiawah Island Utility, Inc.
Exhibit B
For the Year Ended December 31, 2020

Docket 2021-324-WS
Schedule B
Adjusting Journal Entries

- 9) To adjust management fees to reflect 3-factor overhead allocation.
Allocated between water and sewer - 59.07% and 40.93%.

Calculation			
3 Factor Allocation on Annual Report	1,103,352		
Management Position	666,746		
Adjustment	436,606		
Management Fee	(436,606)	(257,903)	(178,703)

- 10) To amortize estimated rate case expenses of \$200,000 over two years.

Prior rate case amortization - complete as of May 2022.		(147,517)	(87,132)	(60,385)
2 Year amortization of estimated rate case expenses.	100,000	100,000	59,070	40,930
Rate case expense adjustment		(47,517)	(28,062)	(19,455)

- 11) To remove non-allowable expenses.

Miscellaneous Expenses	(3,006)	(3,006)	
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TOTAL O & M ADJUSTMENTS	(559,310)	(239,263)	(320,047)
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DEPRECIATION

- 12) To adjust depreciation for 2021 calculated depreciation, for proforma assets placed in service in 2021, and allocated corporate overhead depreciation

Depreciation - Proforma through 12/31/21	139,483	100,652	38,831
Depreciation - Allocate corporate overhead	97,305	57,478	39,827
Depreciation	236,788	158,130	78,658

AMORTIZATION - WATER RIGHTS

- 13) To adjust for fully amortized impact agreement.

(22,294)	(22,294)	
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AMORTIZATION - OTHER

- 14) To amortize known and measurable maintenance costs incurred.

Sludge removal - 3 year amortization - \$154,305	51,435	-	51,435
Tank painting - 5 year amortization - Ongoing from prior rate case	20,908	20,908	
Covid-19 PPE - 3 year amortization - \$3,118.76	1,040	614	426
TOTAL AMORTIZATION	73,383	21,522	51,861

GROSS RECEIPTS TAX

- 15) To reclass test year PSC/ORS fees recorded in other taxes.
Allocated between water and sewer - 59.07% and 40.93%.

Utility Regulatory Assessment Fees	51,748	30,568	21,180
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Kiawah Island Utility, Inc.
Exhibit B
For the Year Ended December 31, 2020

Docket 2021-324-WS
Schedule B
Adjusting Journal Entries

- 16) To adjust PSC Gross Receipts fee to proforma receipts.
Allocated between water and sewer - 59.07% and 40.93%

Calculation

Proforma Gross Receipts	9,617,316
PSC Utility Assessment Gross Receipts, dated August, 2020	9,618,415
Receipts increase/(decrease)	(1,099)
Rate	<u>0.007087930</u>
	(8)

Utility Regulatory Assessment Fees

(8)

(5)

(3)

TOTAL GROSS RECEIPTS TAX ADJUSTMENT

51,740

30,563

21,177

PROPERTY TAX

- 17) To adjust property tax for expected increase.
Allocated between water and sewer - 59.07% and 40.93%.

Calculation

2020 PT-139 Proposed Assessment property value	20,910,159
PT-139 Licensed Vehicles value	<u>(284,524)</u>
Net Value	20,625,635
2nd water main - Addl costs, net of accum dep	2,362,369
Proforma - Added in 2021	3,893,256
2021 Proforma depreciation (excluding licensed vehicles)	<u>(920,980)</u>
Proforma Property Value	25,960,280
Assessment rate	10.5%
Taxable Value	2,725,829
Millage rate - 2020 rate	0.232
Proforma Property tax	631,302
Real/Vehicle Property tax per books	3,091
Property tax per books	<u>(487,467)</u>
Property Tax adjustment	146,926

146,926

86,789

60,137

PAYROLL TAX

- 18) To increase payroll tax for payroll increase.
Allocated between water and sewer - 59.07% and 40.93%.

Payroll Tax

5,559

3,284

2,275

OTHER TAXES AND LICENSES

- 19) To remove PSC Gross Receipts tax recorded in Other Taxes.
Allocated between water and sewer - 59.07% and 40.93%.

Other Taxes and Licenses

(51,748)

(30,568)

(21,180)

- 20) To adjust corporate license fee for proforma FMV and revenue changes.
Allocated between water and sewer - 59.07% and 40.93%.

Calculation

Proforma Assessed property value	25,960,280
Rate	<u>0.001</u>
Proforma Corp License - FMV component	25,960
Proforma Gross Receipts	9,617,316
Rate	<u>0.003</u>
Proforma Corp License - Gross receipts component	28,852
FMV	25,960
Gross Receipts	<u>28,852</u>
Proforma Corporate License Fee	54,812
Corporate License Fee per books (Franchise Fee)	<u>(50,163)</u>
Proforma adjustment	4,649

4,649

2,746

1,903

TOTAL OTHER TAXES ADJUSTMENT

(47,099)

(27,821)

(19,278)

Kiawah Island Utility, Inc.
 Exhibit B
 For the Year Ended December 31, 2020

Docket 2021-324-WS
 Schedule B
 Adjusting Journal Entries

FEDERAL AND STATE INCOME TAXES

- 21) To adjust federal and state income taxes on proforma income at 21% US and 5% SC.

Federal Income Taxes	<u>621,309</u>	<u>4,702,794</u>	<u>(4,081,485)</u>
State Income Taxes	<u>135,345</u>	<u>988,083</u>	<u>(852,739)</u>

- 22) To remove deferred tax expense.

Deferred Federal Tax expense	<u>(500,510)</u>	<u>(4,681,887)</u>	<u>4,181,377</u>
Deferred State Tax expense	<u>(94,322)</u>	<u>(882,310)</u>	<u>787,988</u>

OTHER OPERATING INCOME

- 23) To reverse gain on disposition of property

Gain on Disposition	<u>44,841</u>	<u>45,452</u>	<u>(611)</u>
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INTEREST

- 24) To adjust for interest synchronization using 4.57% cost of debt. Allocated between water and sewer - 59.07% and 40.93%.

Interest Expense per books	898,913		
Interest per Interest Synchronization Adjustment	<u>573,829</u>		
	<u>(325,084)</u>	<u>(192,027)</u>	<u>(133,057)</u>

Kiawah Island Utility, Inc.
Exhibit B
For the Year Ended December 31, 2020

Docket 2021-324-WS
Schedule B
Adjusting Journal Entries

PROPOSED ADJUSTING ENTRIES	COMBINED	WATER	SEWER
25) To increase operating revenue at proposed rates.			
Residential		437,715	170,730
Commercial		44,967	18,995
Hotel		8,203	5,113
Well		18,409	59,552
Private Fire		1,554	
Irrigation		590,758	
	<u>1,355,997</u>	<u>1,101,606</u>	<u>254,390</u>
26) To increase Gross Receipts Tax for proposed revenue increase.			
Calculation			
Receipts increase	1,355,997		
Rate, as of 6/11/21	<u>0.007087930</u>		
	9,611		
Utility Regulatory Assessment Fees	<u>9,611</u>	<u>7,808</u>	<u>1,803</u>
27) To increase corporate license fee due to increase in profitnnn revenue.			
Calculation			
Gross receipts increase	1,355,997		
Rate	<u>0.003</u>		
	4,068		
Other Taxes and Licenses	<u>4,068</u>	<u>3,305</u>	<u>763</u>
28) To calculate federal and state income taxes on proposed income - at 21% US and 5% SC.			
Federal Income Taxes	<u>267,792</u>	<u>217,553</u>	<u>50,239</u>
State Income Taxes	<u>67,116</u>	<u>54,525</u>	<u>12,591</u>
29) To apply growth factors to Net Utility Operating Income. Water growth factor is 1.5194%. Sewer growth factor is 1.0019%.			
Customer Growth Net Income	<u>28,970</u>	<u>24,080</u>	<u>4,891</u>
30) To increase revenue by annual amortization of excess accumulated deferred income taxes.			
Excess Accumulated Deferred Income Tax	<u>35,168</u>		

SCHEDULE C

For the Year Ended December 31, 2020

Line No.		Test year # (updated Sep 21)	OPERATING REVENUE			REVENUE AT CURRENT	INCREASED RATE	REVENUE AT INCREASED RATE
			Annualized	Rate	Total			
1								
2	RESIDENTIAL							
3	5/8" Meter	2,903	34,836	36.65	1,276,739	1,276,739	42.21	1,470,548
4	3/4" Meter	482	5,784	54.98	318,004	318,004	63.33	366,277
5	1" Meter	345	4,140	91.62	379,307	379,307	105.53	436,886
6	1 1/2" Meter	15	180	183.25	32,985	32,985	211.07	37,992
7	2" Meter	7	84	293.21	24,630	24,630	337.72	28,368
8	3" Meter	-	-	641.40	-	-	738.77	-
9	4" Meter	-	-	1,840.73	-	-	2,120.17	-
10	Consumption up to 11,000 gals/mo	-	370,176	4.83	1,787,950	1,787,950	5.08	1,880,923
11	Consumption 11,000 - 50,000 gals/mo	-	118,657	5.37	637,188	637,188	5.65	670,322
12	Consumption > 50,000 gals/mo	-	10,780	5.71	61,554	61,554	6.01	64,755
13	TOTAL - RESIDENTIAL	3,752			4,518,357	4,518,357	-	4,956,072
14								
15								
16	COMMERCIAL							
17	5/8" Meter	44	528	36.65	19,351	19,351	42.21	22,289
18	3/4" Meter	15	180	54.98	9,896	9,896	63.33	11,399
19	1" Meter	14	168	91.62	15,392	15,392	105.53	17,729
20	1 1/2" Meter	17	204	183.25	37,383	37,383	211.07	43,058
21	2" Meter	16	192	293.21	56,296	56,296	337.72	64,842
22	3" Meter	4	48	641.40	30,787	30,787	738.77	35,461
23	4" Meter	2	24	1,840.73	44,178	44,178	2,120.17	50,884
24	Consumption	-	55,119	5.71	314,729	314,729	5.94	327,319
25	TOTAL - COMMERCIAL	112			528,013	528,013		572,980
26								
27								
28	HOTELS							
29	Per Room	255	3,060	14.72	45,043	45,043	16.36	50,075
30	Consumption	-	8,817	5.71	50,345	50,345	6.07	53,517
31	TOTAL - HOTEL	255			95,388	95,388		103,591
32								
33								

For the Year Ended December 31, 2020

Water - Current & Proposed Revenue

Line No.		Test year # (updated Sep 21)	OPERATING REVENUE			REVENUE AT CURRENT	INCREASED RATE	REVENUE AT INCREASED RATE
			Annualized	Rate	Total			
34	IRRIGATION							
35	5/8" Meter	194	2,328	36.65	85,321	85,321	47.06	109,552
36	3/4" Meter	87	1,044	54.98	57,399	57,399	70.59	73,700
37	1" Meter	115	1,380	91.62	126,436	126,436	117.65	162,357
38	1 1/2" Meter	26	312	183.25	57,174	57,174	235.29	73,411
39	2" Meter	25	300	293.21	87,963	87,963	376.48	112,944
40	3" Meter	4	48	641.40	30,787	30,787	823.56	39,531
41	4" Meter	-	-	1,840.73	-	-	2,363.50	-
42	Consumption Up to 50,000 gals/mo	-	157,541	5.37	845,995	845,995	6.90	1,086,258
43	Consumption > 50,000 gals/mo	-	105,366	5.71	601,640	601,640	7.33	772,506
44	TOTAL - IRRIGATION	451			1,892,715	1,892,715		2,430,260
45								
46								
47	GOLF - POTABLE							
48	Potable Water	4	48	871.45	41,830	41,830	1,118.94	53,709
49	Consumption - Potable	-	25,489	5.71	145,542	145,542	7.33	186,876
50	TOTAL - GOLF POTABLE	4			187,372	187,372		240,585
51								
52	TOTAL - IRRIGATION				2,080,087	2,080,087		2,670,845
53								

For the Year Ended December 31, 2020

Line No.		Test year # (updated Sep 21)	OPERATING REVENUE			REVENUE AT CURRENT	INCREASED RATE	REVENUE AT INCREASED RATE
			Annualized	Rate	Total			
54	GOLF - WELL							
55	Deep Well Water	3	36	1,138.80	40,997	40,997	1,462.22	52,640
56	Consumption - Well	-	79,415	0.30	23,825	23,825	0.39	30,591
57	TOTAL - GOLF - WELL	3			64,821	64,821		83,231
58								
59	FIRE LINE							
60	2" Line	21	252	8.65	2,180	2,180	9.88	2,490
61	3" Line	7	84	15.83	1,330	1,330	18.08	1,519
62	4" Line	15	180	27.43	4,937	4,937	31.34	5,641
63	6" Line	2	24	54.87	1,317	1,317	62.67	1,504
64	8" Line	1	12	96.11	1,153	1,153	109.78	1,317
65	TOTAL - FIRE LINE	46			10,917	10,917		12,471
66								
67	PUBLIC FIRE					39,551		39,551
68								
69	TOTAL				7,297,584	7,337,135		8,438,741

For the Year Ended December 31, 2020

Line No.		OPERATING REVENUE				REVENUE AT CURRENT	INCREASED RATE	REVENUE AT INCREASED RATE
		Test year # (updated Sep 21)	Annualized	Rate	Total			
1								
2	RESIDENTIAL							
3	5/8" Meter	2,885	34,620	28.00	969,360	969,360	30.72	1,063,679
4	3/4" Meter	433	5,196	42.00	218,232	218,232	46.09	239,466
5	1" Meter	323	3,876	69.99	271,281	271,281	76.80	297,677
6	1 1/2" Meter	10	120	139.98	16,798	16,798	153.60	18,432
7	2" Meter	7	84	223.98	18,814	18,814	245.77	20,645
8	3" Meter	-	-	489.95	-	-	537.61	-
9	4" Meter	-	-	1,514.79	-	-	1,662.13	-
10	Consumption up to 11,000 gals/mo		351,605	0.74	260,188	260,188	0.81	285,504
11	TOTAL - RESIDENTIAL	3,658			1,754,673	1,754,673	-	1,925,403
12								
13								
14	COMMERCIAL							
15	5/8" Meter	23	276	28.00	7,728	7,728	30.41	8,393
16	3/4" Meter	10	120	42.00	5,040	5,040	45.61	5,473
17	1" Meter	7	84	69.99	5,879	5,879	76.01	6,385
18	1 1/2" Meter	13	156	139.98	21,837	21,837	152.02	23,715
19	2" Meter	15	180	223.98	40,316	40,316	243.24	43,784
20	3" Meter	4	48	489.95	23,518	23,518	532.09	25,540
21	4" Meter	2	24	1,514.79	36,355	36,355	1,645.06	39,481
22	Consumption	-	28,043	2.86	80,203	80,203	3.11	87,100
23	TOTAL - COMMERCIAL	74			220,876	220,876		239,871
24								
25								
26	HOTELS							
27	Per Room	255	3,060	11.19	34,241	34,241	12.15	37,186
28	Consumption	-	8,817	2.86	25,217	25,217	3.11	27,385
29	TOTAL - HOTEL	255			59,458	59,458		64,571
30								
31								
32	GOLF COURSE IRRIGATION							
33	Effluent Water	3	36	4,648.72	167,354	167,354	968.96	214,882
34	Consumption	-	211,679	0.20	42,336	42,336	0.26	54,359
35	TOTAL - GOLF COURSE IRRIGATION	3			209,690	209,690		269,242
36								
37	TOTAL				2,244,697	2,244,697	-	2,499,087
38								
39								

SCHEDULE D

Line No.	DESCRIPTION	COST	PROFORMA ADDITIONS	PROFORMA RETIREMENTS	PROFORMA COST	DEPRECIATION PER BOOKS	DEPRECIATION ADJUSTMENTS	PROFORMA DEPRECIATION
1								
2	AMORTIZATION							
3	302 Water Rights	1,921,989	-	-	1,921,989	43,256	(22,294)	20,962
4								
5	TOTAL - AMORTIZATION	1,921,989			1,921,989	43,256		20,962
6								
7	DEPRECIATION							
8	304 Structures & Improvements	12,717,812	97,888	-	12,815,700	284,903	(6,269)	278,635
9	304 2nd Pipeline - Additional Costs	2,400,000	-	-	2,400,000	37,631	10,369	48,000
10	307 Wells & Springs	183,799		-	183,799	9,397	3,400	12,797
11	311 Pumping Equipment	1,111,404	69,914	-	1,181,318	43,347	8,845	52,192
12	339 Other Plant & Misc Equipment	888,835	1,050	-	889,885	53,688	(74)	53,614
13	330 Distribution Reservoirs & Standpipes	1,340,815	-	-	1,340,815	31,795	-	31,795
14	331 Mains	8,798,918	1,841,078	-	10,639,996	201,525	44,806	246,331
15	331 CIAC	(5,860,751)		-	(5,860,751)	(130,008)	-	(130,008)
16	334 Meters & Meter Installation	133,187	1,681,394	(109,391)	1,705,190	4,625	30,605	35,230
17	335 Hydrants	284,840	-	-	284,840	7,301	-	7,301
18	340 Office Furniture & Equipment	130,305	-	-	130,305	8,209	-	8,209
19	341 Transportation Equipment	294,150	-	-	294,150	26,658	8,333	34,991
20	343 Tools, Shop & Garage Equipment	10,497	-	-	10,497	428	272	700
21	346 Communications Equipment	1,140	-	-	1,140	171	57	228
22	347 Miscellaneous Equipment	4,798	-	-	4,798	172	308	480
23								
24	PLANT IN SERVICE	22,439,748	3,691,324	(109,391)	26,021,681	579,842	100,652	680,494
25								
26	Depreciation - Allocated Overhead							57,478
27								
28	TOTAL - DEPRECIATION					579,842	100,652	737,972

For the Year Ended December 31, 2020

Line No.	DESCRIPTION	COST	PROFORMA ADDITIONS	PROFORMA ADDITIONS	PROFORMA COST	DEPRECIATION PER BOOKS	PROFORMA DEPRECIATION CHANGES	PROFORMA DEPRECIATION
1								
2	360.2 Collection Sewers - Force	11,507,271			11,507,271	255,396	288	255,684
3	361.2 Collection Sewers - Gravity	4,253,874			4,253,874	105,707	8,546	114,253
4	360.2 CIAC	(11,507,271)			(11,507,271)	(255,251)	-	(255,251)
5	371.3 Pumping Equipment	287,668	91,590		379,258	14,278	17,999	32,277
6	389.3 Other Plant & Misc Equipment	26,163			26,163	2,616	-	2,616
7	354 Structures & Improvements	3,336,947			3,336,947	100,767	(4,776)	95,991
8	380.4 Chemical Treatment Plant & Equip	49,679	110,342		160,021	2,080	4,956	7,036
9	389 Other Plant & Misc Equipment	70,977			70,977	2,415	(73)	2,342
10	390.7 Office Furniture & Equipment	167,234			167,234	16,201	2,922	19,123
11	391.7 Transportation Equipment	301,450			301,450	26,658	8,333	34,991
12	393.7 Tools, Shop & Garage Equipment	10,497			10,497	428	272	700
13	396.7 Communication Equipment	1,139			1,139	171	57	228
14	397.7 Miscellaneous Equipment	4,798			4,798	172	308	480
15								
16	PLANT IN SERVICE	8,510,426	201,932		8,712,358	271,637	38,831	310,469
17								
18	Depreciation - Allocated Overhead							39,827
19								
20	TOTAL - DEPRECIATION					271,637	38,831	350,296

SCHEDULE E

Klawah Island Utility, Inc.

Exhibit B

For the Year Ended December 31, 2020

Docket 2021-324-WS

Schedule E

Present & Projected Customers

Line No.			# of Customers						
1			12/31/2019	12/31/2020		Average		Growth Rate	
2	Water		4,213	4,343		4,278		1.5194%	
3	Sewer		3,656	3,730		3,693		1.0019%	
4									
5									
6			Net Utility Operating Income	Growth Rate Factor	Income after Growth Factor				
7	Water		1,584,809	1.5194%	24,080				
8	Sewer		488,152	1.0019%	4,891				
9									
10	Total		2,072,960		28,970				

SCHEDULE F

Klawah Island Utility, Inc.
Exhibit B
For the Year Ended December 31, 2020

Docket 2021-324-WS
Schedule F
Water - Operating Revenue

Line No.		PER BOOKS	ACCOUNTING & PROFORMA ADJUSTMENTS	AJE	PROFORMA PRESENT	PROPOSED RATE INCREASE	AJE	RATE CASE BALANCE
1	WATER SALES REVENUE							
2	461 Measured Water Revenue							
3	461.1 Residential	4,351,395	166,962	1	4,518,357	437,715	25	4,956,072
4	461.2 Commercial	1,075,571	(547,558)	1	528,013	44,967	25	572,980
5	Hotel & Well	158,993	(63,605)	1	95,388	8,203	25	103,591
6	Well		64,821	1	64,821	18,409	25	83,231
7	462 Fire Protection Revenue							
8	462.1 Public Fire Protection	39,551	-	-	39,551	-	-	39,551
9	462.2 Private Fire Protection	5,204	5,713	1	10,917	1,554	25	12,471
10	465 Sales to Irrigation Customers	1,575,889	504,198	1	2,080,087	590,758	25	2,670,845
11								
12	TOTAL WATER SALES REVENUE	7,206,603	130,532	-	7,337,135	1,101,606	-	8,438,741
13								
14	OTHER WATER REVENUES							
15	471 Miscellaneous Service Revenues	26,578	-	-	26,578	-	-	26,578
16	474 Other Water Revenues - TAP-INS	75,750	(75,750)	2	-	-	-	-
17	TOTAL OTHER WATER REVENUES	102,328	(75,750)	-	26,578	-	-	26,578
18								
19	400 WATER OPERATING REVENUES	7,308,931	54,782	-	7,363,713	1,101,606	-	8,465,319
20								

Kinwah Island Utility, Inc.
Exhibit B
For the Year Ended December 31, 2020

Docket 2021-324-WS
Schedule F
Sewer - Operating Revenue

Line No.		PER BOOKS	ACCOUNTING & PROFORMA ADJUSTMENTS	AJE	PROFORMA PRESENT	PROPOSED RATE INCREASE	AJE	RATE CASE BALANCE
1	WASTEWATER SALES REVENUE							
2	522 Measured Revenues - General Customers							
3	522.1 Residential	1,582,091	172,582	1	1,754,673	170,730	25	1,925,403
4	522.2 Commercial	264,343	(43,467)	1	220,876	18,995	25	239,871
5	522.3 Industrial	-	-	-	-	-	-	-
6	522.4 Public Authorities	-	-	-	-	-	-	-
7	522.5 Multiple Family Dwelling Revenues	-	-	-	-	-	-	-
8	Total Measured Revenues	1,846,434	129,115		1,975,549	189,725		2,165,274
9	524 Revenues from Other Systems - HOTEL	59,458	0	1	59,458	5,113	25	64,571
10	TOTAL WASTEWATER SALES REVENUE	1,905,892	129,115		2,035,007	194,838		2,229,845
11								
12	OTHER WASTEWATER REVENUES							
13	530 Guaranteed Revenues	-	-	-	-	-	-	-
14	536 Other Wastewater Revenues - Misc & Tap-Ins	52,656	(43,750)	2	8,906	-	-	8,906
15	TOTAL OTHER WASTEWATER REVENUES	52,656	(43,750)		8,906	-		8,906
16								
17	544 Reuse Revenues from Other Systems - GOLF EFFLUENT	209,690	-	1	209,690	59,552	25	269,242
18								
19								
20	400 SEWER OPERATING REVENUE	2,168,238	85,365		2,253,603	254,390		2,507,993
21								

SCHEDULE G

Kiawah Island Utility, Inc.
Exhibit B
For the Year Ended December 31, 2020

Docket 2021-324-WS
Schedule G
Schedule of Proposed Rates

RESIDENTIAL					
WATER SERVICE	Current Rate	Proposed Rate			Increase
5/8" Meter	36.65	42.21			15.18%
3/4" Meter	54.98	63.33			15.18%
1" Meter	91.62	105.53			15.18%
1 1/2" Meter	183.25	211.07			15.18%
2" Meter	293.21	337.72			15.18%
3" Meter	641.40	738.77			15.18%
4" Meter	1,840.73	2,120.17			15.18%
Consumption up to 11,000 gals/mo	4.83	5.08			5.20%
Consumption 11,000 - 50,000 gals/mo	5.37	5.65			5.20%
Consumption > 50,000 gals/mo	5.71	6.01			5.20%
SEWER SERVICE					
5/8" Meter	28.00	30.72			9.73%
3/4" Meter	42.00	46.09			9.73%
1" Meter	69.99	76.80			9.73%
1 1/2" Meter	139.98	153.60			9.73%
2" Meter	223.98	245.77			9.73%
3" Meter	489.95	537.61			9.73%
4" Meter	1,514.79	1,662.13			9.73%
Consumption up to 11,000 gals/mo	0.74	0.81			9.73%
COMMERCIAL					
WATER SERVICE					
5/8" Meter	36.65	42.21			15.18%
3/4" Meter	54.98	63.33			15.18%
1" Meter	91.62	105.53			15.18%
1 1/2" Meter	183.25	211.07			15.18%
2" Meter	293.21	337.72			15.18%
3" Meter	641.40	738.77			15.18%
4" Meter	1,840.73	2,120.17			15.18%
Consumption	5.71	5.94			4.00%
SEWER SERVICE					
5/8" Meter	28.00	30.41			8.60%
3/4" Meter	42.00	45.61			8.60%
1" Meter	69.99	76.01			8.60%
1 1/2" Meter	139.98	152.02			8.60%
2" Meter	223.98	243.24			8.60%
3" Meter	489.95	532.09			8.60%
4" Meter	1,514.79	1,645.06			8.60%
Consumption	2.86	3.11			8.60%
HOTELS					
WATER SERVICE					
Per Room	14.72	16.36			11.17%
Consumption	5.71	6.07			6.30%
SEWER SERVICE					
Per Room	11.19	12.15			8.60%
Consumption	2.86	3.11			8.60%

Kiawah Island Utility, Inc.

Docket 2021-324-WS

Exhibit B

Schedule G

For the Year Ended December 31, 2020

Schedule of Proposed Rates

IRRIGATION				
WATER SERVICE				
5/8" Meter	36.65	47.06	28.40%	
3/4" Meter	54.98	70.59	28.40%	
1" Meter	91.62	117.65	28.41%	
1 1/2" Meter	183.25	235.29	28.40%	
2" Meter	293.21	376.48	28.40%	
3" Meter	641.40	823.56	28.40%	
4" Meter	1,840.73	2,363.50	28.40%	
Consumption Up to 50,000 gals/mo	5.37	6.90	28.40%	
Consumption > 50,000 gals/mo	5.71	7.33	28.40%	
GOLF COURSE IRRIGATION				
GOLF - POTABLE				
Potable Water	871.45	1,118.94	28.40%	
Consumption - Potable	5.71	7.33	28.40%	
GOLF - WELL				
Deep Well Water	1,138.80	1,462.22	28.40%	
Consumption - Well	0.30	0.39	28.40%	
GOLF - EFFLUENT				
Effluent	4,648.72	5,968.96	28.40%	
Consumption - Effluent	0.20	0.26	28.40%	
FIRE LINE				
2" Line	8.65	9.88	14.22%	
3" Line	15.83	18.08	14.22%	
4" Line	27.43	31.34	14.26%	
6" Line	54.87	62.67	14.22%	
8" Line	96.11	109.78	14.22%	

EXHIBIT C

DHEC Letter



November 22, 2021

Mr. Scott Elliott
Elliott & Elliott, P.A.
1508 Lady Street
Columbia, SC 29201

Re: Kiawah Island Utilities, Inc.
Water System Permit #1010008
Wastewater System Permit #ND0017361
PSC Rate Case (Water and Sewer)

Dear Mr. Elliott:

This letter serves to confirm that the systems above all have the valid SCDHEC permits needed to operate.

I can be reached at 803-898-4157 or at clarkesm@dhec.sc.gov.

Sincerely

A handwritten signature in black ink that reads "SM Clarke". The signature is written in a cursive, flowing style.

Shawn M. Clarke, PE, Director
Water Facilities Permitting Division

cc: Richard Welch, SCDHEC
Doug Kinard, SCDHEC

EXHIBIT D

Customer Bill Form

**UTILITY, INC.**

Customer Service: 877-405-1742
Emergencies: 843-768-0841
Visit us online: www.swwc.com/sc

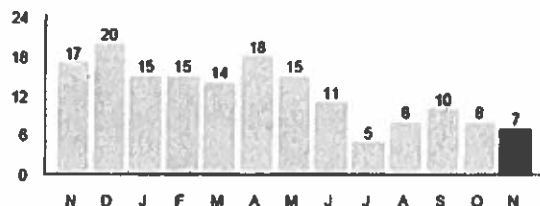
Account Number: 00 [REDACTED]
Invoice Number: 180 [REDACTED]
Billing Date: 11/16/2021
Total Amount Due By: 12/13/2021

Service Address:
[REDACTED]
KIAWAH ISLAND SC 29456

Reading Type	Rate	From	To	# Of Days	Previous	Current	Usage KGAL	Meter #
Actual	5/8" - R	10/19/2021	11/15/2021	28	71	78	7	

Water Usage History - 13 Month Usage in KGal*

*KGal = 1000 Gallons



 Previous Month's Usage Current Month's Usage

Message Center

Please see the reverse side for information about our many payment options including online and phone payments.

Late Charge Reminder - A 1.5% additional charge will apply to any unpaid balance after due date.

Account Summary

Previous Bill Amount	\$109.46
-----------------------------	-----------------

Payment Received 10/27/21 - Thank You	-\$109.46
--	------------------

(Payments after 2:00pm will NOT reflect on this invoice.)

Balance	\$0.00
----------------	---------------

Current Billing and Other Basic Charges

Water Fee - Base	\$36.65
-------------------------	----------------

Sewer Fee - Base	\$28.00
-------------------------	----------------

Water Fee - Consumption	\$33.81
--------------------------------	----------------

Sewer Fee - Consumption	\$5.18
--------------------------------	---------------

SDW Fee	\$0.25
----------------	---------------

Total Current Charges	\$103.89
------------------------------	-----------------

Total Amount Due By 12/13/21	\$103.89
-------------------------------------	-----------------

**The Kiawah Island Utility Water Quality report for 2020 can be found at:
<https://swwc.com/wp-content/uploads/files/sc/ccr/ccr-kiu/ccr-kiu-2020.pdf>**

☐ Please detach and return the bottom portion with your payment, or pay online at <https://myaccount.swwc.com> ☐

Kiawah Island Utility, Inc.
31 Sora Rail Rd
Kiawah Island, SC 29455

Account Number: [REDACTED]
Total Amount Due By 12/13/21: \$103.89

Please make check payable to:
Kiawah Island Utility, Inc.

Please check here and see reverse for address and phone corrections.

**Amount
Enclosed**



JOHNS ISLAND SC 29455-5813

Kiawah Island Utility, Inc.
31 Sora Rail Rd
Kiawah Island, SC 29455





WE HAVE A VARIETY OF PAYMENT OPTIONS TO BETTER SERVE YOU

As a reminder, Kiawah Island Utility, Inc. has automatic payment options to make paying your bill each month easier than ever before. Electronic payment options include:

- Recurring electronic check payments automatically processed each month on your due date
- Recurring credit card payments automatically processed each month on your due date
- One-time payments using a checking account online through the web payment portal
- One-time payments using either Visa or MasterCard debit or credit cards online through the web payment portal or over the phone using our convenient IVR system

Visit our web customer portal at <https://myaccount.swwc.com> for access to these options and more.

- For our web portal, you will need your 10-digit account number to make payments. If you wish to register and login to your account to gain access to all options, you will also need your 4-digit account identifier. Please call us if you do not know your 4 digit identifier and an agent will be happy to assist you with that information.

You can always use more traditional payment methods, if you prefer:

- Mail a check or money order directly to our payment center using the convenient payment stub and remittance envelope provided with your monthly invoice
- Drop off check or money order payments at our local office

Just need to check your balance? Check your account status and balance via phone at **877-405-1742**.

If you have questions about any of these payment methods, or need assistance with any of our electronic payment options, please call us and one of our friendly customer service representatives will be happy to help. Thank you!

Please print only new address information below and check the appropriate box on the reverse side. Thank you.

Address Change(s)

Mailing address only

Name

Address

City

State

Zip Code

Phone Number

E-mail Address

Customer Account Number

Return to remit address on reverse of coupon. Make sure remit address on reverse shows through window of supplied envelope.

EXHIBIT E

Gross Receipts Tax Filing

SOUTH CAROLINA PUBLIC SERVICE COMMISSION
and
SOUTH CAROLINA OFFICE OF REGULATORY STAFF
GROSS RECEIPTS FOR THE TWELVE (12) MONTHS ENDING JUNE 30, 2021
(Please correct preprinted information as required)

Kiawah Island Utility, Inc.
Company Name (as shown on Certificate) FEIN _____

List d/b/a and/or f/k/a aliases
31 Sora Rail Road Kiawah Island SC 29455
Address City State Zip Code
Becky J. Dennis, Director of Operations 843-768-0641 bdennis@swwc.com
Regulatory Contact Area Code & Phone Number E-Mail

INTRASTATE GROSS RECEIPTS

Revenues Derived Via South Carolina Operations from:

Water Revenues	(Water) \$	7,770,346
Sewer Revenues	(Sewer)	2,233,542
Electricity Revenues	(Electric)	
Natural Gas Revenues	(Gas)	
Railroad Revenues	(Railroad)	
Telecommunications Revenues:		
ILEC (Local Exchange)	(ILEC)	
CLEC (Competitive Local Exchange)	(CLEC)	
IXC (Long Distance)	(IXC)	
PSP (Payphone Service Provider)	(PSP)	
Wireless (Eligible Telecommunications Carrier)	(Wireless ETC)	
Total Revenues Derived Via South Carolina Operations	\$	10,003,888

Becky J. Dennis Aug 25, 2021
Preparer's Signature Date

Affidavit

State of South Carolina County of Charleston
Personally appeared before me Becky J. Dennis who, being duly sworn, says that
he/she is the Director of Operations of Kiawah Island Utility, Inc. (Company) and
that the foregoing statement, for the twelve (12) months ending June 30, 2021, is correctly taken from the
books and records of said Company, and is true to the best of his/her knowledge and belief.

Sworn to and subscribed before me this 25th day of August, 2021

[Signature]
Notary Public

My commission expires 7-2-2023

Place

Seal

Here

Return completed form to:
South Carolina Office of Regulatory Staff
Attention: Gross Receipts Department
1401 Main Street, Suite 900
Columbia, SC 29201

Failure to timely complete and submit this form
could result in the loss of your license, authority
or certificate to operate in South Carolina.

Return Deadline is August 31, 2021

